

Message From the Secretary

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January 23, 2023

The statesman and Nobel laureate Kofi Annan has said, “Education is the premise of progress, in every society, in every family.” Our nation’s historic federal investments in education during fiscal year (FY) 2022 are a powerful statement of America’s values.

The U.S. Department of Education is committed to ensuring that all students receive an education that prepares them to fulfill their promise and follow their dreams. The academic achievement, mental health, and social and emotional well-being of our nation’s students remain our top priorities. And these priorities informed all of our actions to meet the challenges and opportunities of FY 2022.

Because the pandemic has affected all students, parents, educators, and school leaders — but especially those in schools and communities furthest from opportunity — safely and successfully reopening all schools for in-person learning is a major accomplishment that the Department and the nation share with education leaders throughout the country this fiscal year. When the Biden-Harris administration took office, fewer than half of K-12 schools were open for in-person instruction. We knew that was unacceptable, so we did something about it. And within nine months of the inauguration, more than 98% of schools were fully open.

Our priority is to keep our schools open and to accelerate an *equitable* recovery.

We’re doing that by focusing on and helping schools to meet students’ academic, social, emotional, and mental health needs, through new initiatives and unprecedented resources to states and districts — including through the American Rescue Plan and the Bipartisan Safer Communities Act.

Our Engage Every Student initiative, announced in July 2022, is an important part of advancing this work. The initiative is a public-private partnership that unites schools, districts, state and local governments, and community-based organizations to support access to quality out-of-school time learning. Through this program, more students — especially those who are most underserved — are gaining access to after-school and summer enrichment opportunities that can help them recover from lost instructional time caused by the pandemic.

The National Partnership for Student Success is another vital effort we launched this fiscal year with leading education, youth, and service organizations. This brand-new coalition supports the expansion, launch, and improvement of high-impact tutoring, mentoring, and other programs that can accelerate learning and support students’ mental health and overall well-being. In FY 2022, the Department also held a virtual summit, where we highlighted steps that schools, colleges, and communities can take to support students with disabilities and students with mental health needs.

Here at the Department, we believe all students deserve a high-quality education that provides opportunity and addresses achievement gaps. That is why I’m proud that President Biden’s fiscal year 2023 budget request includes a significant increase in funding for Title I of the Elementary and Secondary Education Act, to help schools provide students in low-income communities with the learning opportunities and support they need to succeed.

The Department also is working to promote supportive, safe learning environments for our students — and to protect students’ civil rights in education.

We’re doing that through the Promise Neighborhoods program, which is designed to significantly improve academic and developmental outcomes for children living in communities of concentrated poverty. I’m especially

encouraged that this year's grant competition included targeted funds for underserved communities, including both rural and Tribal areas.

We're also advancing this work through our Full-Service Community Schools grant. This program funds initiatives that provide academic supports, integrated health and social services, and engagement opportunities for students, while creating stronger connections among families, communities, and their local public schools.

In addition, in November 2021, we joined the U.S. Departments of Interior and Health and Human Services to launch an interagency initiative to preserve, protect, and promote the rights of Native Americans to use, practice, and develop Native languages.

And in June 2022, we released proposed amendments to Title IX to ensure crucial protections against sex discrimination, including regarding sex-based harassment and sexual assault. We also released guidance to avoid the discriminatory use of school discipline policies and practices for students with disabilities.

In all of our work in education, it's also vital that we strive to make postsecondary education more inclusive and affordable so that our students have pathways to good jobs, fulfilling careers, and bright futures.

That's why we are determined to build a more accessible, affordable, and accountable student loan system.

So far, we've discharged \$48 billion in debt for more than 1.9 million borrowers, and we have turned the Public Service Loan Forgiveness program from a promise broken, into a promise kept.

The Biden-Harris administration announced in August 2022 that the Department is providing targeted student debt cancellation to borrowers with loans held by our agency. This is part of our overall effort to address the financial harms of the pandemic by smoothing the transition back to repayment and helping borrowers at highest risk of delinquencies or default once payments resume.

Through this plan, up to \$20,000 in federal student loan debt cancellation will be provided to Pell Grant recipients and up to \$10,000 in debt cancellation will be provided to non-Pell Grant recipients. Borrowers earning less than \$125,000 per year or households earning less than \$250,000 are eligible. The Department also is proposing a rule to create a new income-driven repayment plan that will substantially reduce future monthly payments for lower- and middle-income borrowers.

This past summer, the Department also released proposed regulations that would expand and improve the major student loan discharge programs authorized by the Higher Education Act. The regulations would alleviate student loan debt burdens for borrowers whose schools closed or who are totally and permanently disabled and for public service workers who have met their commitments under the Public Service Loan Forgiveness program.

Also this summer, we announced the availability of \$5 million in funds to support a new College Completion Fund for Postsecondary Student Success. The fund will support grants to Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), and Minority-Serving Institutions (MSIs), such as Hispanic-Serving Institutions — many of which are community colleges. This program will invest in data-driven and evidence-based practices that encourage postsecondary retention, transfer, and completion — as well as reengaging students who withdrew from school temporarily during the pandemic.

Additionally, I'm encouraged that the President's fiscal year 2023 budget request increases the maximum Pell Grant and provides significant increases in funding for HBCUs, TCUs, and MSIs.

Another priority for the Department is encouraging programs that lead students to successful careers. I'm particularly excited about systems of career and college pathways that provide support to students during their secondary and postsecondary education, helping them chart a successful course to their professions of choice. This past summer, we held an event with the U.S. Departments of Labor and Commerce to highlight the importance of career pathways programs for students. In addition, the President's fiscal year 2023 budget request includes the Career-Connected High Schools program. This grant program would fund partnerships among school districts, postsecondary institutions, and employers to support early enrollment in postsecondary and career-connected coursework, work-based learning opportunities, and academic and career-connected instruction across the last two years of high school and the first two years of postsecondary education.

The Department continues to make stewardship of taxpayer funds and financial integrity top priorities. The financial and performance data included and assessed in this Agency Financial Report are complete and reliable in accordance with federal requirements. The financial report includes information and assurances about the Department's financial management systems and controls

as well as control opportunities noted by the Department. Similarly, the Department's related Annual Performance Report and Annual Performance Plan (Report and Plan) provides information on the overall performance of the Department as a federal agency. Each year this Report and Plan accompany the Department's annual budget submission and links performance goals with resources for achieving targeted levels of performance.

This year, the Department received a disclaimer of opinion on its FY 2022 financial statements. The Department is confident in the sound financial management of our programs, and we will implement the appropriate actions to return to an unmodified opinion as soon as possible. For more information, please see Management's Response in the Independent Auditors' Report. A detailed assessment of internal controls and compliance with the Department's financial management systems can be found in the Management's Discussion and Analysis section of this report.

For too long in this country, students have faced gaps in equity and opportunity and low expectations based on background and circumstance. We must remove these barriers, raise the bar for what learners can achieve, and reimagine our education system to include and support young people of all backgrounds.

Federal resources, including unprecedented funds through the American Rescue Plan, are being used by states, districts, and schools to advance these priorities, address the impacts of the pandemic on our nation's students and educators, and make our education system more equitable, inclusive, and excellent than ever before.

For example, through the American Rescue Plan, states, districts, and schools are addressing students' unfinished instruction, accelerating their academic outcomes, and supporting their mental and emotional health. And, through the Bipartisan Safer Communities Act, communities across the country will benefit from more than \$2 billion to create safe and inclusive learning environments, including by hiring vital mental health professionals in schools and by growing the pipeline of talented individuals into the profession. All of these are game-changing investments, made possible through the Biden-Harris administration and the hard work of the entire team at the Department of Education.

As we did in FY 2022, we will keep working to promote the nation's progress by ensuring that our best days in education — and our children's brightest futures — are ahead.



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